

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

November 23, 2015

Oren S. Gatten 1060 South Northstar Layton, Utah 84041

Subject: Final Approval of Permit Transfer and Directive to Amend Notice, Oren S. Gatten, Pearl Queen Perlite Mine, M/001/0027, Beaver County, Utah

Dear Mr. Gatten:

On November 2, 2015, the Associate Director of the Division of Oil, Gas and Mining approved the replacement surety and reclamation contract for the transfer of the Notice of Intention (Notice) for the referenced project from Basin Perlite Company to Oren S. Gatten. You are now solely responsible to conduct mining and reclamation operations as outlined in the approved Notice. The approved Notice is available on the Division's website at ogm.utah.gov. Basin Perlite Company is hereby released from any further reclamation liability under this permit. Hereafter, the Division will consider any current references to Basin Perlite Company in the approved Notice to effectively refer to Oren S. Gatten or any subsequent operator.

By December 18, 2015, you are directed to amend the Notice by adding a page that states that all references to Basin Perlite Company (or abbreviations thereof) will hereafter refer to Oren S. Gatten or any subsequent operator.

As a reminder, the Division has fully approved reclamation on parts of past mine disturbance, and has partially approved recent reclamation in both the Schoo and Pearl Queen areas. As part of the permit transfer, replacement surety has been provided in the amount of \$25,000 to cover reclamation liability on remaining disturbances in both areas. Refer to the Division's July 10, 2015 partial release authorization letter for release details.

Currently, the reclamation surety is only adequate to cover remaining reclamation of existing disturbances. Prior to recommencement of mining operations within the disturbance boundaries of the approved Notice, additional reclamation surety appropriate for the activities planned needs to be provided. Also, prior to expanding operations outside of the existing disturbance boundary, the current approved Notice document must be amended to reflect mining and reclamation plans, and additional required reclamation surety must be submitted. The Division will need to take into account the effects of any future expansion into heretofore undisturbed areas on cultural resources.



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Thank you for cooperation in completing this permit transfer. Please refer to file M/001/0027 in any correspondence regarding this operation. Please contact Peter Brinton at 801-538-5258 or me at 801-538-5261 if you have questions regarding this approval.

Sincerely,

Paul Baker

Minerals Program Manager

PBB: pnb: eb

Enclosure: Copy of Reclamation Contract

Brian T. Dolan, Basin Perlite Company c/o RCF Management LLC, 1400 16th Street Suite 200, Denver, Colorado 80202

Andrea Antillon, RCF Management LLC; aantillon@rcflp.com Ed Ginouves, BLM-Cedar City (UTU-80276); eginouve@blm.gov

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